

To: Senate Health and Human Services  
From: WEEL – Olivia Riutta – [oriutta@weelempowers.org](mailto:oriutta@weelempowers.org), 406.495.0497.  
Date: February 21, 2007  
Re: Senate Bill 498 – Plan for universal health care system for all Montanans



Mr. Chairman and members of the committee.

I am here today as a representative of WEEL. We are a state based non-profit organization that is made up of low-income Montanans. We provide direct advocacy for our low-income neighbors.

Montana Facts:

- We spend ~4.9 billion on health care a year in MT, \$5,380 per capita
- 60-61% of this cost is supported by tax dollars, yet...
- 22% of Montana's non-elderly population are uninsured
- Our uninsured rates for children under 18 are increasing, while they are steady nationally
- We have 37,000 uninsured children

I want to tell you a story out of my own life that further emphasizes the effects of health care on business. I grew up in Michigan. My father to Detroit when he was 21 years old, off the farm, without a high school diploma and got a good paying job. I moved to the Detroit area 35 years later to go to college and at that point those good paying jobs were almost gone. There are many factors that have gone into the fall of American auto makers, but one important point is health care. It is estimated that about \$1500 of the cost of every GM vehicle goes toward the cost of providing health insurance for their workers. If you drive through Detroit today you will see one of the starkest examples of the state of our "rust belt." But if you drive over the bridge to Windsor, Ontario you see a different picture, including automotive plants. American auto companies have moved a handful of miles; it is more cost effective for them to up and move an entire plant, and much of that cost has to do with health care.

If that is how the big three auto companies have been effected, imagine the small businesses in Montana. Businesses are paying more, but are also cost shifting to employees. Over 35% of Montanans work at a business with fewer than ten employees, these are small businesses that can't afford such drastic increases in premiums. The businesses in Montana that do not offer health insurance to their employees cite cost as the main obstacle.

A universal single payer system is also the will of Montanans. According to Dr. Steve Seninger, Key Informant Interviews, Montanans of all walks of life expressed that:

- Health insurance costs too much
- The system is broken and can't be fixed
- A universal, single-payer is the only way to replace the current system

SB 498 is the first step to finding a better health care solution for Montana. The sooner we deal with our health care crisis, the better. This is a good bill because it sets realistic goals and works to move us toward a solution.

Thank you,

Olivia Riutta